



South Carolina Department of Alcohol and Other Drug Abuse Services

MARK SANFORD
Governor

W. LEE CATOE
Director

September 6, 2007

Office of State Budget
Attention: Ms. Karen Rhinehart
1201 Main Street, Suite 870
Columbia, South Carolina 29201

Dear Ms. Rhinehart:

Please find enclosed the fiscal year 2008-2009 (FY09) budget request of the South Carolina Department of Alcohol and Other Drug Abuse Services (DAODAS). I have enclosed 10 copies and have submitted an electronic copy by e-mail.

DAODAS is requesting new funding of \$500,000 for alcohol enforcement teams (AETs), \$620,000 for community-based prevention and treatment services targeting adolescents, and \$400,000 for infrastructure maintenance – all in recurring dollars and through the general fund. In addition, the department is making no proviso addition, deletion or correction requests at this time.

If you have any questions regarding the enclosed information, please contact Stephen L. Dutton, Executive Assistant, at 896-1142, or Lillian Roberson, Manager of the Division of Operations, at 896-1145.

Sincerely,

W. Lee Catoe
Director

WLC/sld/jmm

Enclosure

FISCAL YEAR 2008-09 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. Section 12 - J20 Department of Alcohol and Other Drug Abuse Services (DAODAS)

B. Statewide Mission:

“To ensure the provision of quality services to prevent or reduce the negative consequences of substance use and addictions, and to support efforts to raise personal income of South Carolinians by creating a better environment for economic growth through the more efficient delivery of state government services; improving quality of life; and helping to improve our state’s educational efforts for children.”

At the heart of this statement are the agency’s core values of respect, integrity and dedication. The department adheres to guiding principles that outline how the agency and its employees conduct business. Among others, these principles include:

- the belief that addiction is a preventable and treatable disease and that DAODAS must provide statewide leadership on all substance use and addiction issues;
- the citizen-client is the priority;
- DAODAS will work collaboratively with both the public and private systems of substance abuse providers; and
- DAODAS will collaborate more effectively with other state agencies to achieve positive outcomes for common citizen-clients.

C. Summary Description of Strategic or Long-Term Goals:

The department’s overarching strategic goal is that clients will achieve sustainable recovery, while reducing use, abuse and harm. The DAODAS plan includes the following strategic and long-term goals:

(1) To improve the effectiveness of intervention and treatment programs

Action plans include a focus on outcome-evaluation results in all program areas. Specific objectives for alcohol and other drug abuse clients have been identified in concert with the Office of the Governor. These include, but are not limited to: a) reducing use and abuse of alcohol and other drugs using evidence-based program models and b) increasing employment or involvement in productive activities.

Accountability Report: Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

- (2) To improve the effectiveness of prevention programs

Action plans include a focus on developing and implementing a statewide prevention outcome-evaluation system and implementing evidence-based prevention strategies. Action plans have been developed in concert with the Office of the Governor and include decreasing tobacco sales to underage youth and increasing the use of evidence-based prevention programming.

Accountability Report: Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.5: *What are the performance levels and trends for key measures of regulatory/legal compliance and community support?*

- (3) To improve the efficiency of the service-delivery system

Action plans include a focus on client engagement and retention, program development and accountability, and strategic planning. Action plans have been developed in concert with the Office of the Governor and include decreasing use while increasing employment and increasing the percentage of students who stay in school, thereby increasing the state's educational efforts for children.

Accountability Report: Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

- (4) To ensure that all clients/citizenry are stimulated/engaged

Action plans include a focus on culturally competent services and a partnership with other human service providers to provide services to shared clients.

Accountability Report: Section I, Executive Summary – Collaboration; Section III, Category 1 – Leadership, Question 1.2: *How do senior leaders establish and promote a focus on customers and other stakeholders?*; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III – Category 7, Business Results, Question 7.2: *What are the performance levels and trends for the key measures of customer satisfaction?*

- (5) To collaborate more effectively with service providers, other state agencies, and stakeholders

Action plans include a focus on working with the county alcohol and drug abuse authorities that provide local services; collaborating more effectively by involving all stakeholders in the decision-making process; strengthening partnerships with other service providers; and enhancing communication with community partners, mutual client agencies, internal staff, and the General Assembly.

Accountability Report: Section III – Category 1, Leadership, Question 1.2: *How do senior leaders establish and promote a focus on customers and other stakeholders?*; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III – Category 7, Business Results, Question 7.2: *What are the performance levels and trends for the key measures of customer satisfaction?*

- (6) To provide the necessary resources to improve the department's capacity to provide efficient and effective services

Action plans include a focus on internal organizational capabilities, traditional and alternative funding sources, performance, and web-based communications. As stated above, certain objectives have been emphasized in concert with the Office of the Governor (i.e., holding providers

accountable through the contractual process, continuing departmental use of evidence-based practices, and securing alternative funding mechanisms).

Accountability Report: Section I, Executive Summary – Major Achievements; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III, Category 4 – Management, Analysis and Information Management, Questions 4.1-4.7; Section III – Category 5, Human Resources, Questions 5.1-5.8.

Budget Plan Contribution – The budget plan and funding request contribute to each goal and action plan above by assisting the department in attaining its overarching goal of providing addiction services to the people of South Carolina, where – at any given time – more than 250,000 individuals are in need of intervention and treatment services. Alcohol and other drug abuse prevention, intervention, and treatment services contribute to the overall quality and years of healthy life of South Carolinians and ensure appropriate access to evidence-based health care throughout South Carolina. By promoting healthy lifestyles, reducing the number of preventable injuries, improving disease management, and providing access to services, the overall health of South Carolinians is protected and enhanced. The department’s budget plan also impacts savings in other areas, including lower costs for emergency room care, decreased incarceration costs, and decreased hospitalizations, particularly for adolescents suffering from abuse.

D. Operating Priorities

Summary of Operating Budget Priorities for FY 2008-09:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: Alcohol Enforcement Teams (Annualization)	0	\$500,000	0	0	\$500,000	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above</u> (if applicable): Goal Numbers 2, 3 & 5 Activity Number & Name: Community-Based Prevention Services (1035)										
Priority No.: 2	Title: Evidence-Based Direct Prevention and Treatment Programs	0	\$620,000	0	0	\$620,000	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above</u> (if applicable): Goal Numbers 1,2, 3, 5 & 6 Activity Number & Name: Community-Based Prevention & Treatment Services (1035, 1037)										

Summary of Operating Budget Priorities for FY 2008-09:		FUNDING				FTEs				
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 3	Title: Infrastructure Maintenance	0	\$400,000	0	0	\$400,000	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above</u> <i>(if applicable)</i> : Goal Numbers 1, 2, 3, 4 & 6 Activity Number & Name: Chemical Dependency Service Accountability (1034)										
TOTAL OF ALL PRIORITIES		\$0	\$1,520,000	\$0	\$	\$1,520,000	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:

State \$ 11,452,947
Federal \$ 24,611,524
Other \$ 2,243,500

F. Efficiency Measures:

In support of its overarching and strategic goals, DAODAS established statewide outcome measures for treatment, intervention, and prevention programs. These outcome measures, in conjunction with customer satisfaction and efficiency objectives, allow DAODAS to systematically measure the performance of the county alcohol and drug abuse authorities and to undertake appropriate programming and fiscal measures to ensure that the mission and overarching goals of the department are met.

The department maintains a focus on client outcomes and continues to emphasize the statewide client-outcome system as required by the Governmental Performance and Results Act (GPRA), which is the federal “gold standard” for outcomes. Specific client outcome data include: (1) the percentage of former clients using alcohol in the past 30 days; (2) the percentage of clients using alcohol to intoxication in the past 30 days; (3) the percentage of clients using illegal drugs in the past 30 days; (4) the percentage of former clients using tobacco in the past 30 days; (5) the percentage of former clients unemployed in the past 30 days; (6) the percentage of former clients with dependent living arrangements or homeless in the past 30 days; (7) the percentage of former clients using outpatient health care in the past 30 days; (8) the percentage of former clients using emergency-room care in the past 30 days; (9) the percentage of former clients arrested on any charge in the past 30 days; and (10) the percentage of former student clients suspended in the past 30 days.

The FY06 analysis (most recent available) of the above GPRA outcomes reveals that clients receiving services at the local level are getting better, reducing their alcohol and other drug use, going back to work, and staying in school. These are the key measures of mission accomplishment and partner performance. Specifically, 71.7% of surveyed clients report no alcohol use from admission to 180 days following discharge from services, an increase of 34.9%; 92.1% of surveyed clients report no use of alcohol to the point of intoxication from admission to 180 days following discharge, an

increase of 28.8%; 75.4% of clients surveyed report that they are gainfully employed from admission to 180 days following discharge, an increase of 5.4%; and 96.2% of students surveyed report a reduction in suspensions, expulsions, or detention from admission to 180 days following discharge, an increase of 7.1%. These statistics show that treatment works and that a positive impact is being made on the quality of life of South Carolina communities, increasing personal income and impacting the economic capacity of residents. Accountability Report Cite: Section 1, Executive Summary, Major Achievements; Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

The following efficiency measures are based on clinical “best practices” as outlined by the U.S. Department of Health and Human Services, the Public Health Service, the Substance Abuse and Mental Health Services Administration, the Center for Substance Abuse Treatment, and the American Society of Addiction Medicine. These measures have been established as increasing the effectiveness of treatment and, therefore, increasing the likelihood of positive client outcomes.

To improve client engagement and retention, implementation of the following efficiency measures will continue in FY09:

- Clients will receive at least one unit of assessment within two working days of intake (Goal: 75%).
- Clients with an assessment will have at least one unit of the following specified services (detoxification day, residential day, group counseling, individual counseling, intensive outpatient, day treatment, crisis management, intensive in-home services, therapeutic child care, gambling service curriculum, and criminal justice curriculum) within six working days following the assessment (Goal: 50%).

Analysis of the trends in these efficiency measures has shown measured accomplishments in client treatment and retention since the late 1990s. These are again the key measures of mission accomplishment and partner performance. During FY07, 90.1% of all clients received an assessment within two days of first contact with a local service provider, and 73.3% received a qualifying service within six days of the assessment. Trend data show increases each year exceeding state goals.

DAODAS uses two measures to gauge customer satisfaction. The county authorities are encouraged to rate the department on its effectiveness during an annual review, but specifically on the usefulness of the review process as an important component for assisting the county authorities in the areas of strategic management, clinical quality assurance, financial compliance, and prevention services. For the past several years, provider surveys have indicated that a majority of all respondents felt the review process was beneficial to their agencies and met the needs of their staff.

The GPRA (statewide client-outcomes system) measures client satisfaction, and the department has used FY01 data to set a benchmark for client satisfaction as reported during follow-up. For FY06, 96% of all clients were satisfied with the services they received. Accountability Report Cite: Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

In addition (and dating back to January 2003), DAODAS has taken steps to streamline its administrative operations and saved more than \$2.7 million in personnel, rent, and other operating costs (telephone/travel). The agency continued this trend during FY07, redirecting all savings to services at the local level and keeping its internal administrative costs below 5%. Accountability Report Cite: Section III – Customer Focus, Questions 3.1-3.5; Section III, Category 4 – Management, Analysis and Information Management, Questions 4.1-4.7; Section III – Category 5, Human Resources, Questions 5.1-5.7.

In terms of collaborative efforts, the department has worked with the South Carolina Department of Mental Health (DMH) and its county alcohol and drug abuse authorities, local mental health providers, and local hospitals to continue developing plans on how best to provide treatment to people with co-occurring disorders and those who visit emergency rooms (ERs) for crisis care. The department works with DMH to study the issues of clients who suffer from substance abuse and mental health problems, with the end goal of increasing communication, sharing resources, and implementing innovative practices. Various local providers of substance abuse services throughout South Carolina are involved in addressing the ER problem. Currently, the substance abuse system is expending \$1.5 million in state and federal resources to address the issues of co-occurring clients in South Carolina. In addition, DAODAS co-sponsored the annual joint Behavioral Health Conference, along with DMH, the South Carolina Vocational Rehabilitation Department, and the South Carolina Hospital Association, to provide a forum for creating links among systems. These efforts are working to stabilize the ER situation among the substance-abusing population and create an avenue for appropriate referrals of these individuals into the provider system. These efforts have also earned the state a federal grant to study more efficient methods for the delivery of services to clients with co-occurring disorders. Accountability Report Cite: Section I, Executive Summary – Collaboration; Section III, Category 1 – Leadership, Question 1.2: *How do senior leaders establish and promote a focus on customers and other stakeholders?*; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III – Category 7, Business Results, Question 7.2: *What are the performance levels and trends for the key measures of customer satisfaction?*

DAODAS spent approximately \$38 million on prevention, intervention, and treatment services during FY07. For every dollar spent on these services, \$7.46 in associated costs is saved. Therefore, savings to the State of South Carolina in FY07 were approximately \$283.5 million in costs to society, including costs of incarceration, drug-related crime, hospitalizations, and other societal ills. Accountability Report Cite: Section I, Executive Summary – Major Achievements; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III, Category 4 – Management, Analysis and Information Management, Questions 4.1-4.7; Section III – Category 5, Human Resources, Questions 5.1-5.7.

G. Capital Requests – There are no capital requests.

Summary of Capital Budget Priorities			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	Project Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name:	Project No*:	0	0	0	\$ 0
Total of All Capital Budget Priorities:			\$ 0	\$ 0	\$ 0	\$ 0

H. Number of Proviso Changes: None

I. Signature/Agency Contacts/Telephone Numbers:

W. Lee Catoe
Director

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Lillian Roberson, Manager, Division of Operations, (803) 896-1145
101 Executive Center Drive, Suite 215
Columbia, South Carolina 29210

FISCAL YEAR 2008-09 BUDGET PLAN

II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Section 12 - J20 Department of Alcohol and Other Drug Abuse Services (DAODAS)

B. Priority No. 1 of 3

C. (1) Title: Alcohol Enforcement Teams (AETs)

(2) Summary Description: Community-Based Prevention Services are the use of evidence-based approaches to create or enhance environmental conditions within communities, families, schools and workplaces to protect individuals from substance abuse and to help them develop personal decision-making skills to reduce the risk of alcohol, tobacco and other drug-related problems. Six strategies are utilized and include information dissemination, education, alternatives, problem identification and referral, community-based processes, and environmental strategies. Services are implemented in communities and schools throughout South Carolina.

Specific emphasis of this funding request focuses on infrastructure funding for prevention services, but particularly on alcohol enforcement teams (AETs), a proven evidence-based environmental strategy. Heretofore, the AETs have been funded using federal grant funds, with eight sites funded in South Carolina. AETs are intended to reduce underage alcohol use and its harmful consequences coupled with an active public education and prevention strategy. Enforcement of existing laws to restrict use and access by youth is one of the most useful tools in prevention, and prevention agency/law enforcement partnerships can lead to some of our most powerful and sustainable outcomes.

The AET model – which includes community coalition maintenance and development, merchant education, and law enforcement partnerships – specifies a multi- or single-jurisdictional alcohol law enforcement approach (depending on the needs and participation of law enforcement within the target area) in a community to reduce youth access to alcohol utilizing various strategies (social and retail access). Specifics of the AET allow a community partnership to: measure, track and improve merchant compliance with alcohol laws; provide research-based merchant education; build community support for enforcement of underage drinking laws through media advocacy and community coalition maintenance and development; and develop local law enforcement support for underage drinking prevention and enforcement efforts. These activities include party patrols and controlled party dispersal, compliance checks (on- and off-premise), public safety checkpoints, and fake ID checks.

The department received non-recurring funding for FY08 to fund AETs in each judicial circuit across South Carolina, which enhances current federally funded AET efforts. During the fiscal year, the agency expects to use this evidence-based prevention activity to expand capacity into areas where AETs do not now exist. Two specific measurable activities that are anticipated include an increase in the provision of merchant education opportunities, as well as an increase in the number of compliance checks performed and violations written.

(3) Strategic Goal/Action Plan (*if applicable*):

(a) To improve the effectiveness of prevention programs

Action plans include a focus on developing and implementing science-based prevention strategies specific to children and adolescents and developing and implementing a statewide prevention outcome-evaluation system, while also focusing on integrating tobacco strategies into prevention programming philosophy.

Accountability Report: Section III – Category 2, Strategic Planning, Questions 2.1-2.7; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.5: *What are the performance levels and trends for key measures of regulatory/legal compliance and community support?*

(b) To improve the efficiency of the service-delivery system

Action plans include a focus on client engagement and retention and program accountability, as well as identifying gaps in services to adolescents.

Accountability Report: Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

(c) To collaborate more effectively with service providers, other state agencies, and stakeholders

Action plans include a focus on working with the county authorities that provide local alcohol and other drug abuse services, collaborating more effectively and strengthening partnerships with other adolescent service providers, and enhancing communication/collaboration, particularly with community law enforcement and multi-jurisdictional law enforcement networks.

Accountability Report: Section III – Category 1, Leadership, Question 1.2: *How do senior leaders establish and promote a focus on customers and other stakeholders?*; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III – Category 7, Business Results, Question 7.2: *What are the performance levels and trends for the key measures of customer satisfaction?*

D. Budget Program Number and Name: Finance & Operations (Part IA, Section 12, Numeral II)

E. Agency Activity Number and Name: Chemical Dependency Community-Based Prevention Services (1035)

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

- (a) Funding for this initiative will assist the department in meeting its **mission** of reducing the negative consequences of substance use and addictions, while supporting efforts to raise personal income of South Carolinians by creating a better environment for economic growth through the more efficient delivery of state government services, improving quality of life, and helping to improve our state's educational

efforts for children. Additionally, funding for evidence-based prevention services, and particularly the AET strategy, will achieve the **expected result** of preventing or reducing the misuse, use, and abuse of alcohol, tobacco, and other drugs (ATODs).

The first measurement instrument utilized to assess the program's effectiveness and accountability will be to count the increased number of evidence-based programs being used by local providers, in total, to include the AET strategies. Additionally, the department expects to see an increase in the number of activities accomplished, to include the number of compliance checks performed and violations written, the number of party patrols held in each jurisdiction, the number of public safety checkpoints initiated, and the number of inspections completed of fake identification cards. This will lead to decreased access to alcohol for minors. These measures are reported through the Prevention Management Information System, also known as the Knowledge Information Technology System, or KITS, as well as through deliverable requirements of contracts with DAODAS.

Measures/Current Outcomes – During FY07, the department was able to obtain outcomes/measures for multi-session prevention education programs for youth ages 10 to 20. The DAODAS Standard Survey focuses on core measures and includes measuring 30-day alcohol use; 30-day tobacco use; 30-day marijuana use; favorable attitudes toward ATOD use; perceived risk/harm of ATOD use; perceived peer attitudes toward ATOD use; perceived parental attitudes toward ATOD use; and decision-making. Outcomes (* indicates significance) for multi-session prevention education programs for youth ages 10 to 20 included: 32.1% reduction in the number of alcohol users*; 34.2% reduction in the number of marijuana users*; 23.7% reduction in the number of cigarette users*; 11.3% improvement in perceived risk/harm of ATOD use*; and 3.1% improvement in decision-making skills*. DAODAS has increased evidence-based programming, from 54 activities in FY04 to 81 activities in FY05, and up to 145 in FY06, rising to 152 in FY07. This increase in evidence-based prevention programming is directly related to one of the five departmental directive goals (to increase evidence-based programming) and Goal 2 of the agency's strategic plan, to increase the effectiveness of prevention programs.

DAODAS and its local partners also participated in the federally required *Youth Access to Tobacco Study* to measure reductions in South Carolina's rate of youth access. This annual study involves random, unannounced inspections of a statewide sampling of tobacco vendors to assess their compliance with the state law (§17-17-500) that prohibits retailers from selling tobacco products to minors. DAODAS continues to be successful in satisfying federal mandates. Continuing a steady decline in the rate of youth access to tobacco, the agency documented a purchase rate of 11.2% in FFY05, 10.9% in FFY06 and 12.3% in FFY07. This is well below the federal requirement of 20%.

In January 2006, four county alcohol and drug abuse authorities, expanded to six in FY07, were awarded funding to build and increase efforts to prevent and reduce underage drinking in their communities through the AET model. In addition, two additional sites were funded for FY08 using federal funding for this effort. Two highlighted measures of AET accomplishment during FY07 were increased merchant education efforts (480 trained merchants across South Carolina) and an increased number of compliance checks (1,012 compliance checks held – 200 violations written). These two measures, along with additional ones defined above, will be reported through both KITS and through deliverables as required by contracts with the department, and will assist in measuring efficiency.

The state and federal funding will allow the statewide task force to implement and to expand our existing, national award-winning, AET initiative to prevent and reduce underage drinking. South Carolina is most interested in making a difference in the attitudes and behaviors of

our young people, so that their choices regarding the illegal and life-threatening use of alcohol are so drastically changed that it affects whole communities.

Accountability Report – Section II, Organizational Profile – Major Program Areas Chart; Section III, Category 3 – Customer Focus, Question 3.1: *How does the agency determine who its customers are and what are the key requirements?*; Section III, Category 3 – Customer Focus, Question 3.3: *How does the agency use information from customers/stakeholders to keep services or programs relevant and provide for continuous improvement?*; Section III, Category 3 – Customer Focus, Question 3.5: *How does the agency build positive relationships with customers and stakeholders? Indicate key distinctions between different customer groups.*

Collaboration – The department has worked with a number of state agencies and providers to address services to the child and adolescent population. Agencies include the South Carolina Department of Education, the Department of Juvenile Justice, the Department of Social Services, the Department of Mental Health and most specifically regarding this request, the Law Enforcement Networks (LENS) sponsored by the Department of Public Safety. In addition, DAODAS was recently awarded a federal planning grant focusing on adolescents to increase collaboration with the adolescent prevention and treatment system at the state and local levels; to close gaps and to eliminate barriers that currently exist within the adolescent prevention and treatment system; to increase the use of standardized screening, assessment, referral, and follow-up protocols among both public and private providers; to standardize and improve the capacity and skills of direct-service providers; and to enhance and expand the use of evidence-based practices for adolescent substance abuse prevention and treatment. The grant is focused on systems change.

- (b) **Base funding** currently includes federal grant funding of \$800,000 for the operation of AETs in South Carolina, plus \$1.6 million in non-recurring state funds for FY08. This request for recurring funds will maintain the state efforts currently being implemented in South Carolina around AETs, and it will greatly impact community underage drinking efforts in South Carolina.
- (c) **Comparable Programs** – The program will support the existing state-funded program operated by DAODAS and supplement federally funded efforts. There are no other comparable programs operated in South Carolina.
- (d) **Ranking** – South Carolina ranks 46th among states for overall child well-being (Annie E. Casey Foundation, 2004). The identified risk factors coupled with the 2005 Youth Risk Behavior Survey found that, among South Carolina high school students: 43% drank alcohol on one or more occasions within the past 30 days; 24% had five or more drinks in a row within the past 30 days; 26% had their first drink of alcohol prior to age 13; and 71% had at least one drink of alcohol in their lives. DAODAS further estimates that approximately 18,500 youth in the state suffer from problems related to substance abuse, yet local providers have served only half this number (2006). In 2005, South Carolina's underage drinking problem totaled \$228 million in alcohol sales, or 12.2% of all of the alcohol consumed in the state (*Underage Drinking in South Carolina: The Facts*, Pacific Institute for Research and Evaluation [PIRE], 2006). In South Carolina, the cost of underage drinking is \$899 million, which translates to \$2,203 per year for each youth in the state (*Underage Drinking in South Carolina: The Facts*, PIRE, 2006). Research has proven that young people who start drinking before the age of 15 are four times more likely to become alcohol dependent. They are two and a half times more likely to become abusers of alcohol than those who do not drink until they are 21 (*Grant, B.F. & Dawson, D.A. Age at onset of alcohol use and its association with DSM-IV alcohol abuse and dependence: Results from the National Longitudinal Alcohol*

Epidemiologic Survey. Journal of Substance Abuse 9: 103-110. 1997). By providing a mechanism, such as stringent enforcement with swift consequences, communities can have an impact on youth who are drinking before the legal minimum age of 21.

With these stated statistics, adolescent prevention, intervention, and treatment services are the number-one priority for DAODAS. In addition, through the mandated statewide county-planning process, local alcohol and drug abuse authorities have identified gaps and the need for additional services for the adolescent population. Beginning in FY07, and combined with FY08, the department has been able to utilize direct state appropriations for adolescent prevention and treatment services as part of the \$825,000 awarded to the department.

Governor Mark Sanford has made improving the state's educational efforts for children part of his overall goal of increasing personal income in South Carolina. To this end, DAODAS provides a school- and community-based program to identify early use and to offer assessment and appropriate interventions. Additionally, prevention and treatment services targeting adolescents are part of the department's strategic plan and are included in its five stated directive goals.

Finally, South Carolina was awarded a federal grant to address adolescent services by the Substance Abuse and Mental Health Services Administration in August 2005 to increase collaboration with the adolescent treatment system at the state and local levels; to close gaps and eliminate barriers that currently exist within the adolescent treatment system; to increase the use of standardized screening, assessment, referral, and follow-up protocols among both public and private providers; to standardize and improve the capacity and skills of direct-service providers; and to enhance and expand the use of evidence-based practices for adolescent substance abuse treatment.

- (e) **Relevant Authority** – DAODAS is mandated by **Section 44-49-80** of the Code of Laws of South Carolina, as amended, to establish a school-based program for children and adolescents. Other funding for child and adolescent programming comes from the federal **Substance Abuse Prevention and Treatment Block Grant (USC Section 96.125)** which requires that 20% of its allocation be expended on prevention services. More than \$6.2 million in federal funds is dedicated for services to adolescents.
- (f) **Current Resources** – The department currently funds eight AET sites in South Carolina and utilizes \$800,000 in federal funds. Additionally, for FY08, \$1.6 million in non-recurring funds was awarded to the department to expand AET efforts across South Carolina. This request is an annualization request to support the AET program.

Using state dollars for adolescent services is the lowest-cost alternative. According to the Institute for Research, Education and Training in Addictions, for every dollar invested in addictions treatment, taxpayers save at least \$7.46 in costs to society, including the costs of incarceration, drug-related crime, hospitalizations, and other societal ills. During FY07, DAODAS spent \$38 million on prevention, intervention, and treatment services, thereby saving the citizens of South Carolina approximately \$283.5 million in associated costs. The request \$500,000 for this activity will save an estimated \$3.73 million in associated costs and also help to reduce the number of adolescents accessing treatment and helping those already in treatment achieve sustainable recovery. For FY08, DAODAS was able to carry-forward less than the 5% allowed of its total budget from FY07, and therefore use of current resources to cover maintenance and expansion is not an option. The department has historically used this carry-forward funding to meet emergency needs and to fund existing agency activities to comply with federal block grant requirements that state agencies be supported by state resources. DAODAS has also utilized these dollars to fund technological needs that often arise midway through the fiscal year.

(2)

FY 2008-09 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					
(b) Salary					
(c) Fringe Benefits					
Program/Case Services		\$500,000			\$500,000
Pass-Through Funds					
Other Operating Expenses					
Total		\$500,000			\$500,000
<i>*Existing Vacant FTE</i>					

(3) Base Appropriation (FY08):

State \$ 10,934,507

Federal \$ 22,850,724

Other \$ 1,219,930

(4) Is this priority associated with a Capital Budget Priority? No

If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs: No new FTEs are requested.

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State _____

Federal _____

Other _____

Agency-wide Vacant FTEs as of July 31, 2007: _____

% Vacant _____%

H. Other Comments:

II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Section 12 - J20 Department of Alcohol and Other Drug Abuse Services (DAODAS)

B. Priority No. 2 of 3

C. (1) Title: Chemical Dependency Community-Based Prevention and Treatment Services

(2) Summary Description: Community-Based Prevention and Treatment Services are designed to improve the lives of individuals and families affected by substance abuse through the provision of individualized care to reduce the health and human service costs, as well as the economic cost, to our communities and state. Specific substance abuse services range from outpatient treatment, which is available in every county, to specialized treatment services, such as detoxification, adolescent inpatient treatment, and/or other residential services. Specialized services are available on a county, regional and/or statewide basis. These include specialized services for women and children that are provided through five long-term residential treatment programs and one long-term transitional housing program; services to adolescents; and services to incarcerated and paroled individuals.

Specific emphasis of this funding request focuses on infrastructure funding for adolescent services – to include purchasing adolescent prevention and treatment services across South Carolina using proven, evidence-based treatment activities – and maintaining and expanding present access to treatment in communities now served, with emphasis on expanding access to treatment in underserved areas of the state. During the fiscal year, the agency would be expected to provide direct treatment services to more than 9,000 youth (*Accountability Report, Section II – Organizational Profile, Item 1, Products and Services*), while also serving more than 8,000 youth in evidence-based prevention activities (*2007 South Carolina KIT Annual Report*).

(3) Strategic Goal/Action Plan (*if applicable*):

(a) To improve the effectiveness of treatment and intervention programs

Action plans include a focus on outcome-evaluation results for individual adolescent services and determining the appropriateness of care.

Accountability Report: Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

(b) To improve the effectiveness of prevention programs

Action plans include a focus on developing and implementing evidence-based prevention strategies specific to children and adolescents and developing and implementing a statewide prevention outcome-evaluation system, while also focusing on integrating tobacco strategies into prevention programming philosophy.

Accountability Report: Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making*

throughout the organization?; Section III – Category 7, Business Results, Question 7.5: What are the performance levels and trends for key measures of regulatory/legal compliance and community support?

- (c) To improve the efficiency of the service-delivery system

Action plans include a focus on client engagement and retention and program accountability, as well as identifying gaps in services to adolescents.

Accountability Report: Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

- (d) To collaborate more effectively with service providers, other state agencies, and stakeholders

Action plans include a focus on working with the county authorities that provide local alcohol and other drug abuse services, collaborating more effectively and strengthening partnerships with other adolescent service providers, and enhancing communication/collaboration.

Accountability Report: Section III – Category 1, Leadership, Question 1.2: *How do senior leaders establish and promote a focus on customers and other stakeholders?; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III – Category 7, Business Results, Question 7.2: What are the performance levels and trends for the key measures of customer satisfaction?*

- (e) To provide the necessary resources to improve the department's capacity to provide efficient and effective services

Action plans include a focus on the internal organizational capabilities and traditional and alternative funding sources to address youth and adolescent needs.

Accountability Report: Section I, Executive Summary – Major Achievements; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III, Category 4 – Management, Analysis and Information Management, Questions 4.1-4.7; Section III – Category 5, Human Resources, Questions 5.1-5.7.

D. Budget Program Number and Name: Finance & Operations (Part IA, Section 12, Numeral II)

E. Agency Activity Number and Name: Chemical Dependency Community-Based Prevention Services (1035)
Chemical Dependency Community-Based Treatment Services (1037)

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

- (a) Funding for this initiative will assist the department in meeting its **mission** of reducing the negative consequences of substance use and addictions, while supporting efforts to raise personal income of South Carolinians by creating a better environment for economic growth through the more efficient delivery of state government services, improving quality of life, and helping to improve our state's educational efforts for children. Additionally, funding for evidence-based prevention services will achieve the **expected result** of preventing or reducing the misuse, use, and abuse of alcohol, tobacco, and other drugs (ATODs). The DAODAS Standard Survey is one instrument for measuring

performance and accountability and focuses on core measures, including the measurement of 30-day alcohol use; 30-day tobacco use; 30-day marijuana use; favorable attitudes toward ATOD use; perceived risk/harm of ATOD use; perceived peer attitudes toward ATOD use; perceived parental attitudes toward ATOD use; and decision-making. Another measurement instrument will be to count the increased number of evidence-based programs being used by local providers. In regard to treatment, sustainable recovery is the expected result, with the federal GPRA survey and data listed below as the identified instruments for outcomes and accountability.

As included in the FY07-08 Executive Budget, funding of evidence-based adolescent prevention and treatment to prevent or intervene early in alcohol dependency is the low-cost alternative to more expensive services, such as inpatient substance abuse treatment, emergency room admissions, or involvement with the juvenile justice or corrections systems.

Measures/Current Outcomes – During FY07, the department was able to obtain outcomes/measures for multi-session prevention education programs for youth ages 10 to 20. The DAODAS Standard Survey focuses on core measures, including measurement of 30-day alcohol use; 30-day tobacco use; 30-day marijuana use; favorable attitudes toward ATOD use; perceived risk/harm of ATOD use; perceived peer attitudes toward ATOD use; perceived parental attitudes toward ATOD use; and decision-making. Outcomes (* indicates significance) for multi-session prevention education programs for youth ages 10 to 20 included: 32.1% reduction in the number of alcohol users*; 34.2% reduction in the number of marijuana users*; 23.7% reduction in the number of cigarette users*; 11.3% improvement in perceived risk/harm of ATOD use*; and 3.1% improvement in decision-making skills*. DAODAS has increased evidence-based programming, from 54 activities in FY04 to 81 activities in FY05, and up to 145 in FY06, rising to 152 in FY07. This increase in evidence-based prevention programming is directly related to one of the five directive goals (to increase evidence-based programming) and Goal 2 of the agency's Strategic Plan, to increase the effectiveness of prevention programs.

DAODAS and its local partners participated in the federally required *Youth Access to Tobacco Study* to measure reductions in South Carolina's rate of youth access. This annual study involves random, unannounced inspections of a statewide sampling of tobacco vendors to assess their compliance with the state law (§17-17-500) that prohibits retailers from selling tobacco products to minors. DAODAS continues to be successful in satisfying federal mandates. Continuing a steady decline in the rate of youth access to tobacco, the agency documented a purchase rate of 11.2% in FFY05, 10.9% in FFY06 and 12.3% in FFY07. This is well below the federal requirement of 20%.

The measure for child and adolescent treatment programming is a reduction in child and adolescent use and a reduction in school-related problems. FY07 (Quarters 1 & 2) data show a marked increase in abstinence by adolescents following discharge from services. In other words, 49.1% reported use of alcohol at admission, while only 7.1% reported use in the 30 days following discharge – a 43% increase in abstinence. In addition, as a result of attending treatment, 90.2% of students surveyed in FY06 reported a reduction in suspensions, expulsions, or detention from admission to 30 days post-discharge, an increase of 16.1%.

The department also operates an evidence-based program known as The Bridge, which is a transitional program for adolescents leaving an inpatient treatment facility, juvenile justice facility, or other residential setting. Services include an array of family counseling, individual counseling, case management, and other wrap-around services, as well as attention to primary healthcare needs. The outcomes show that 81% (FY03), 84% (FY04), 88% (FY05) and 91% (FY06 - FY07) of graduates remained abstinent from the use of ATODs; 85% (FY03), 87% (FY04), 90% (FY05) 92% (FY06), and 92.5% (FY07) of graduates avoided re-admission to inpatient treatment; 85% (FY03), 100% (FY04 -

FY06), and 99% (FY07) of graduates avoided re-admission to the Department of Juvenile Justice (DJJ); 85% (FY03), 87% (FY04), 93% (FY05) 95% (FY06), and 96% (FY07) of participants who received any service avoided re-admission to DJJ; 100% (FY03 - FY07) of graduates age 15 and younger remained in school or sought a GED; 70% (FY03), 80% (FY04), 84% (FY05) 88% (FY06), and 89.5% (FY07) of graduates age 16 and older remained in school or sought a GED; 71% (FY03), 75% (FY04), 78% (FY05) 80% (FY06), and 82% (FY07) of graduates increased life skills/work and gainful employment.

Accountability Report – Section II, Organizational Profile – Major Program Areas Chart; Section III, Category 3 – Customer Focus, Question 3.1: *How does the agency determine who its customers are, and what are the key requirements?*; Section III, Category 3 – Customer Focus, Question 3.3: *How does the agency use information from customers/stakeholders to keep services or programs relevant and provide for continuous improvement?*; Section III, Category 3 – Customer Focus, Question 3.5: *How does the agency build positive relationships with customers and stakeholders? Indicate key distinctions between different customer groups.*

Collaboration – The department has worked with a number of state agencies and providers to address services to the child and adolescent population. Agencies include the South Carolina Department of Education, the Department of Juvenile Justice, and the Department of Social Services. Local providers, such as the William J. McCord Adolescent Treatment Facility (an inpatient program), and the entire statewide system have collaborated to address services for youth. DAODAS was recently awarded a federal planning grant focused on adolescents to increase collaboration with the adolescent treatment system at the state and local levels; to close gaps and to eliminate barriers that currently exist within the adolescent treatment system; to increase the use of standardized screening, assessment, referral, and follow-up protocols among both public and private providers; to standardize and improve the capacity and skills of direct-service providers; and to enhance and expand the use of evidence-based practices for adolescent substance abuse treatment. The grant is focused on systems change.

- (b) **Base funding** currently includes state funding of \$1,697,931 for alcohol and other drug abuse prevention and treatment for children and adolescents in South Carolina. This additional funding will enhance program efforts by purchasing additional evidence-based prevention programming throughout South Carolina; seeking to close gaps and eliminate existing barriers to treatment for adolescents; and enhancing the use of evidence-based practices for adolescent substance abuse treatment.
- (c) **Comparable Programs** – As stated above, the program will **expand** the existing state-funded program operated by DAODAS. It will complement the adolescent program at William S. Hall Psychiatric Institute (operated by the Department of Mental Health) by providing much-needed continuing care and seeding evidence-based prevention and treatment services. It will also complement other non-substance abuse efforts in the delivery of services to the adolescent population.
- (d) **Ranking** – South Carolina ranks 46th among states for overall child well-being (Annie E. Casey Foundation, 2004). The identified risk factors coupled with the 2005 Youth Risk Behavior Survey found that, among South Carolina high school students: 43% drank alcohol within the past 30 days; 23.5% smoked cigarettes within the past 30 days; 19% used marijuana within the past 30 days; and 30% rode with a driver who had been drinking alcohol. DAODAS further estimates that approximately 18,500 youth in the state suffer from problems related to substance abuse, yet local providers have served only half this number (2006).

With these stated statistics, adolescent prevention, intervention, and treatment services are a priority for DAODAS. In addition, through the mandated statewide county-planning process, local alcohol and drug abuse authorities have identified gaps and the need for additional services for the adolescent population.

Governor Sanford has made improving the state's educational efforts for children part of his overall goal of increasing personal income in South Carolina. To this end, DAODAS provides a school- and community-based program to identify early use and to offer assessment and appropriate interventions. Additionally, prevention and treatment services targeting adolescents are part of the department's strategic plan and included in its five stated directive goals.

Finally, in August 2005 the Substance Abuse and Mental Health Services Administration awarded South Carolina a federal grant to increase collaboration with the adolescent treatment system at the state and local levels; to close gaps and eliminate barriers that currently exist within the adolescent treatment system; to increase the use of standardized screening, assessment, referral, and follow-up protocols among both public and private providers; to standardize and improve the capacity and skills of direct-service providers; and to enhance and expand the use of evidence-based practices for adolescent substance abuse treatment.

- (e) **Relevant Authority** – DAODAS is state-mandated by **Section 44-49-80** of the Code of Laws of South Carolina, as amended, to establish a school-based program for youth and adolescents. Other funding for child and adolescent programming comes from the federal **Substance Abuse Prevention and Treatment Block Grant (USC Section 96.125)** which requires that 20% of its allocation be expended on prevention services. More than \$6.2 million in federal funds is dedicated for services to adolescents.
- (f) **Current Resources** – In FY06, the department was directly appropriated \$939,000 to continue funding for child and adolescent services, which were previously funded through a state-mandated transfer from the South Carolina Department of Education; in FY07, the department was awarded \$500,000 in new funds for evidence-based adolescent prevention and treatment services to partially fund needed services; and in FY08, the department received \$325,000 to maintain and expand adolescent prevention and treatment services, with a focus on expanding services to areas with the greatest need, to include funding adolescent services that were non-existent, to address capacity issues, and to fund high-performance areas for replication. For FY08, the department was able to carry forward less than the 5% allowed of its total budget from FY07, and therefore use of current resources for an effective expansion is not an option. The department has historically used this carry-forward funding to meet emergency needs and to fund existing agency activities to comply with federal block grant requirements that state agencies be supported using state resources. The department has also utilized this funding to address technological needs that often occur midway through the fiscal year.

Using state dollars for adolescent services is the lowest-cost alternative. According to the Institute for Research, Education and Training in Addictions, for every dollar invested in addictions treatment, taxpayers save at least \$7.46 in costs to society, including the costs of incarceration, drug-related crime, hospitalizations, and other societal ills. During FY06, DAODAS spent \$38 million for prevention, intervention, and treatment services, thereby saving the citizens of South Carolina approximately \$283.5 million in associated costs. An additional \$620,000 will save an estimated \$4.6 million in associated costs and will also help to reduce the number of adolescents accessing treatment and assist those already in treatment achieve sustainable recovery.

(2)

FY 2008-09 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					
(b) Salary					
(c) Fringe Benefits					
Program/Case Services		\$620,000			\$620,000
Pass-Through Funds					
Other Operating Expenses					
Total		\$620,000			\$620,000
<i>*Existing Vacant FTE</i>					

(3) Base Appropriation (FY06):

State \$ 10,934,507

Federal \$ 22,850,724

Other \$ 1,219,930

(4) Is this priority associated with a Capital Budget Priority? No

If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs: No new FTEs are requested.

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State _____

Federal _____

Other _____

Agency-wide Vacant FTEs as of July 31, 2007: _____

% Vacant _____%

H. Other Comments:

II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Section 12 - J20 Department of Alcohol and Other Drug Abuse Services (DAODAS)

B. Priority No. 3 of 3

C. (1) Title: Infrastructure Maintenance

(2) Summary Description: DAODAS estimates that approximately 236,000 individuals in South Carolina are suffering from substance abuse problems that require immediate intervention and treatment. With a problem of this magnitude, the department must continue to ensure that individuals and families find the help they need through the vital services purchased by DAODAS and through the statewide system of county alcohol and drug abuse authorities (i.e., the local provider network). During FY07, DAODAS and its provider network met this need for 48,299 South Carolinians.

Specific emphasis of this funding request focuses on infrastructure funding for the three major products purchased by the department. These include *prevention services*, which are evidence-based approaches to create or enhance environmental conditions within communities; *intervention services*, which work to identify, at an early stage, individuals who are at risk of experiencing specific problems caused by their use of alcohol, tobacco and other drugs (The Alcohol and Drug Safety Action Program (ADSAP), the state's DUI offender initiative, is the most recognizable intervention program); and *treatment services*, which are designed to improve the lives of individuals and families affected by substance abuse through the provision of individualized care to reduce the health and human service costs, as well as the economic cost, to our communities and state. Specific substance abuse services range from outpatient treatment, which is available in every county, to specialized treatment services, such as detoxification, adolescent inpatient treatment and/or other residential services. The funding will enable local providers to maintain and increase access to services across the state. It is expected that agencies will increase, across the board, the number of clients admitted to services and an increase in positive outcomes – meaning more South Carolinians are moving back to work, contributing to the state's economic engine, and more children and adolescents are staying in school and achieving academic success.

The emphasis of this request is to support the infrastructure efforts within the state agency and in the local agencies to ensure that access is maintained to prevention, intervention, and treatment services throughout South Carolina. The funding will be utilized to restore the state-mandated block grant (Section 44-49-10 [D]) to its original appropriation amount, which has been cut due to the adverse economic conditions during the first part of the decade. This funding is also to support the federal requirement (45 CFR, Section 96.135) that state agencies use a defined portion (5%) of the federal block grant to fund operational expenditures within the state agency and that states maintain state spending (a two-year aggregate) to support federal substance abuse funding. Specific activities to be funded in the local agencies include workforce development strategies and provider accountability requirements, including outcome-evaluation processes and hardware needs. Within the state agency, funding will assist in meeting the federal requirements (US PL 91-616 and 92-255), but also in setting administrative and clinical standards for quality assurance; providing uniform contract management; evaluating service provision; identifying evidence-based practices; workforce development; and information system management, research, and evaluation.

(3) Strategic Goal/Action Plan (if applicable):

- (a) To improve the effectiveness of treatment and intervention programs

Action plans include a focus on outcome-evaluation results for individual adolescent services and determining the appropriateness of care.

Accountability Report: Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

- (b) To improve the effectiveness of prevention programs

Action plans include a focus on developing and implementing evidence-based prevention strategies specific to children and adolescents and developing and implementing a statewide prevention outcome-evaluation system, while also focusing on integrating tobacco strategies into prevention programming philosophy.

Accountability Report: Section III – Category 2, Strategic Planning, Questions 2.1-2.6; Section III – Category 4, Measurement, Analysis, and Knowledge Management, Question 4.2: *How does the agency use data/information analysis to provide effective support for decision making throughout the organization?*; Section III – Category 7, Business Results, Question 7.5: *What are the performance levels and trends for key measures of regulatory/legal compliance and community support?*

- (c) To improve the efficiency of the service-delivery system

Action plans include a focus on client engagement and retention and program accountability, as well as identifying gaps in services to adolescents.

Accountability Report: Section III – Category 7, Business Results, Question 7.1: *What are the performance levels and trends for key measures of mission accomplishment and organizational effectiveness?*

- (d) To ensure that all clients/citizenry are stimulated/engaged

Action plans include a focus on culturally competent services and a partnership with other human service providers to provide services to shared clients.

Accountability Report: Section I, Executive Summary – Collaboration; Section III, Category 1 – Leadership, Question 1.2: *How do senior leaders establish and promote a focus on customers and other stakeholders?*; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III – Category 7, Business Results, Question 7.2: *What are the performance levels and trends for the key measures of customer satisfaction?*

- (e) To provide the necessary resources to improve the department's capacity to provide efficient and effective services

Action plans include a focus on the internal organizational capabilities and traditional and alternative funding sources to address child and adolescent needs.

Accountability Report: Section I, Executive Summary – Major Achievements; Section III – Category 3, Customer Focus, Questions 3.1-3.5; Section III, Category 4 – Management, Analysis and Information Management, Questions 4.1-4.7; Section III – Category 5, Human Resources, Questions 5.1-5.7.

D. Budget Program Number and Name: Finance & Operations (Part IA, Section 12, Numeral II)

E. Agency Activity Number and Name: Chemical Dependency Service Accountability (1034)

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

- (a) Funding for this initiative will assist the department in meeting its **mission** of reducing the negative consequences of substance use and addictions, while supporting efforts to raise personal income of South Carolinians by creating a better environment for economic growth through the more efficient delivery of state government services, improving quality of life, and helping to improve our state's educational efforts for children. Additionally, funding for infrastructure maintenance will achieved the **expected result** of preventing or reducing the use, misuse, and abuse of alcohol, tobacco, and other drugs (ATODs).

Measures/Current Outcomes – The first key measure will be the Government Performance and Results Act (GPRA). Federal law requires that certain outcomes be tracked and reported. During FY06, clients receiving services at the local level “got better,” reducing their alcohol and other drug use, going back to work, and staying in school. These are the key measures of mission accomplishment and partner performance. Specifically, 71.7% of surveyed clients report no alcohol use from admission to 180 days following discharge from services, an increase of 34.9%; 92.1% of surveyed clients report no use of alcohol to the point of intoxication from admission to 180 days following discharge, an increase of 28.8%; 46.2% of clients surveyed report that they were smoke-free from admission to 180 days post-discharge, an increase of 6.3%; 75.4% of clients surveyed report that they were gainfully employed from admission to 180 days following discharge, an increase of 5.4%; and 96.2% of students surveyed report a reduction in suspensions, expulsions, or detention from admission to 180 days following discharge, an increase of 7.1%. (*Note: As of this writing, FY07 numbers were being finalized.*) National statistics published by the American Society of Addiction Medicine demonstrate positive outcomes during and after treatment, and that between 40% and 60% of clients suffering from addiction report being abstinent at follow-up. South Carolina's statistics compare favorably and show that treatment works and that a positive impact is being made on the quality of life of South Carolina communities, increasing personal income and impacting the economic capacity of residents. In addition, yearly trend data show that better outcomes are achieved each year for individuals who are in treatment. These new funds will go toward increasing workforce development strategies and provider accountability requirements, including outcome evaluative processes and hardware needs.

The second measure will be outcomes/measures for multi-session prevention education programs for youth ages 10 to 20. The DAODAS Standard Survey focuses on core measures and includes measuring 30-day alcohol use; 30-day tobacco use; 30-day marijuana use; favorable attitudes toward ATOD use; perceived risk/harm of ATOD use; perceived peer attitudes toward ATOD use; perceived parental attitudes toward ATOD use; and decision-making. Outcomes (* indicates significance) for multi-session prevention education programs for youth ages 10 to 20 included: 32.1% reduction in the number of alcohol users*; 34.2% reduction in the number of marijuana users*; 23.7% reduction in the number of cigarette users*; 11.3% improvement in perceived risk/harm of ATOD use*; and 3.1% improvement in decision-making skills*. DAODAS has increased evidence-based programming, from 54 activities in FY04 to 81 activities in FY05, and up to 145 in FY06,

rising to 152 in FY07. This increase in evidence-based prevention programming is directly related to one of the five directive goals (to increase evidence-based programming) and Goal 2 of the agency's Strategic Plan, to increase the effectiveness of prevention programs. DAODAS insists on accountability, requiring local providers to meet certain efficiency measures that enhance access to treatment, client retention and, as a result, sustainable recovery. Trends in these efficiency measures have shown accomplishments throughout the early part of the decade on client treatment and retention, and thus positive results in achieving sustainable recovery, reducing harm, and reducing abuse. During FY07, 90.1% of all clients received an assessment within two days of first contact with a local service provider. This is a 32.7% increase since FY00. Additionally, in terms of client engagement, 73.3% of clients accessed services within six days of assessment, exceeding the state goal by 23.3% and increasing by 28.8% since FY00. This is the third measure used to gauge effectiveness and provider accountability.

Accountability Report – Section I, Executive Summary – Major Achievements; Section II, Organizational Profile – Main Products and Services; Section II, Organizational Profile – Key Strategic Challenges; Section III, Category 2 – Strategic Planning, Question 2.1: *What is the strategic planning process and does it address the agency's strengths, weaknesses, opportunities and threats, opportunities and barriers, and human resource capabilities and needs?*; Section III, Category 4 – Measurement, Analysis and Knowledge Management, Questions 4.1-4.7; Section III, Category 5 – Workforce Focus, Question 5.3: *How does the department identify and address key developmental and training needs?*; Category 7 – Business Results, Questions 7.1-7.5.

Collaboration – The department works with a number of state agencies and local providers to address services to our client population. Agencies include the South Carolina Department of Mental Health; the Department of Health and Human Services; the Department of Corrections; the Department of Probation, Parole and Pardon Services; the Department of Juvenile Justice; the Vocational Rehabilitation Department; and the Department of Social Services.

- (b) **Base funding** currently includes state funding of \$11,452,947 for alcohol and other drug abuse prevention and treatment services for South Carolinians. This additional funding will support program efforts by maintaining and increasing access to evidence-based prevention and treatment services throughout South Carolina. The funding will assist the state and local agencies with accountability and quality assurance efforts as required by the South Carolina General Assembly and the Substance Abuse and Mental Health Services Administration.
- (c) **Comparable Programs** – There are no comparable programs in the state that provide the range of substance abuse prevention, intervention, and treatment services to South Carolinians. This funding would, however, complement other programs that do exist in the state that provide inpatient care, as well as other private, for-profit and faith-based efforts.
- (d) **Ranking** – The use of ATODs affects South Carolinians of all ages and from all walks of life. Problems resulting from these substances surface in our homes and schools, on our roads and highways, and in our workplaces and criminal justice system. As a result, the social cost to South Carolinians in direct and indirect costs is approximately \$2.5 billion per year.

Recognizing the need for direct services for the general public, as well as for specific high-risk groups, DAODAS purchases a wide array of prevention, intervention, and treatment services through a community-based system of care. Although DAODAS subcontracts with 33 county alcohol and drug abuse authorities to provide the majority of direct services to citizens in all 46 counties of the state, department staff

coordinate services for adolescents who are preparing to leave alcohol and other drug inpatient treatment facilities, juvenile justice facilities, or other residential settings, and to return home to their families and communities. Since the county authorities were created in 1973, they have provided intervention and treatment services to more than 1.35 million South Carolinians and touched the lives of additional individuals and families through the many prevention activities coordinated and provided by this system.

During 2007, DAODAS has celebrated its 50th anniversary as the latest incarnation of the state agency responsible for providing substance abuse services to the citizens of South Carolina. The local provider network has served the state's various communities for more than 30 years. As with any service system, attention must be paid to infrastructure needs – those elements that undergird its operational objectives. As time has passed, the pursuit of expansion, the changing economy, and changes in public administration of the system have led to an erosion of the state block grant funding and, more recently, the minibottle funding (now alcohol excise tax) upon which the system was founded. Coupled with changing demands and requirements for accountability of the expenditure of public funds, the system must meet ever-increasing demands to show positive outcomes, as well as to keep abreast of the changing technology and program advances in the field of addictions. Taken together, the infrastructure needs must be addressed in order to continue to make strides in achieving the agency mission and expected results.

- (e) **Relevant Authority** – DAODAS is state-mandated by **Section 44-49-10 *et.seq.*** of the Code of Laws of South Carolina, as amended, to establish a system of alcohol and other drug abuse prevention, intervention, and treatment. Additionally, **Section 44-9-10 (D)** of the Code of Laws of South Carolina requires that the department provide a state block grant to local substance abuse agencies. Other funding for substance abuse programming comes from the federal **Substance Abuse Prevention and Treatment Block Grant (45 CFR Section 96.125)**.
- (f) **Current Resources** – DAODAS ended FY05 having experienced a combined 72.5% cut in base state funding (May 2001 – June 2005), for a total of \$7.5 million. Part of this total included a mid-year FY05 budget cut of \$1 million. Total state appropriations directed to DAODAS were \$6.2 million. DAODAS and its county authorities received the largest proportional state funding cuts of any state agency/system. However, over the past three fiscal years, the department has been awarded increases in state funding, due to the overwhelming success of its outcome-based programs, as well as recognition that investments in alcohol and other drug abuse prevention and treatment reap annual cost benefits. The Institute for Research, Education and Training in Addictions has reported that for every dollar invested in addictions treatment, the taxpayer saves at least \$7.46 in costs to society; therefore, the state saved an additional \$17.6 million in associated costs during FY07. Using state dollars for substance abuse services is the lowest-cost alternative. Again, according to the Institute for Research, Education and Training in Addictions, for every dollar invested in addictions treatment, taxpayers save at least \$7.46 in costs to society, including the costs of incarceration, drug-related crime, hospitalizations, and other societal ills. During FY07, DAODAS spent \$38 million for prevention, intervention, and treatment services, thereby saving the citizens of South Carolina approximately \$283.5 million in associated costs. An additional \$400,000 will save an additional estimated \$2.98 million in associated costs and also help to reduce the number of adolescents accessing treatment and helping those already in treatment achieve sustainable recovery.

For FY08, the department was able to carry forward less than the 5% allowed of its total budget from FY07, and therefore use of current resources is not an option. The department has historically used this carry-forward funding to meet emergency needs and is already utilizing

these funds to comply with federal block grant requirements that state agencies be supported using state resources. The department has also utilized this funding to address technological needs that often arise during a fiscal year.

(2)

FY 2008-09 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					
(b) Salary					
(c) Fringe Benefits					
Program/Case Services		\$331,360			\$331,360
Pass-Through Funds					
Other Operating Expenses		\$68,640			\$68,640
Total		\$400,000	\$ 0	\$ 0	\$400,000
<i>*Existing Vacant FTE</i>					

(3) Base Appropriation (FY08):

State \$ 10,934,507

Federal \$ 22,850,724

Other \$ 1,219,930

(4) Is this priority associated with a Capital Budget Priority? No

If so, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs: No new FTEs are requested.

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State _____

Federal _____

Other _____

Agency-wide Vacant FTEs as of July 31, 2007: _____

% Vacant _____%

H. Other Comments:

FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: Section 12 - J20 – South Carolina Department of Alcohol and Other Drug Abuse Services

B. Summary of Priority Assessment of Agency Activities

Priority Assessment of Activities – Highest Priorities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: Chemical Dependency Community-Based Prevention Services	\$116,709	\$5,412,935	\$1,600,000	\$ 0	\$551,437	\$7,681,081	6.50
Activity Number & Name: Chemical Dependency Community-Based Treatment Services	\$9,924,799	\$15,954,387	\$ 0	\$ 0	\$829,838	\$26,709,024	3.25
Activity Number & Name:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Activity Number & Name:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Activity Number & Name:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
TOTAL OF HIGHEST PRIORITIES	\$10,041,508	\$21,367,322	\$1,600,000	\$ 0	\$1,381,275	\$34,390,105	9.75

FY 2008-09 ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF ACTIVITIES – LOWEST PRIORITIES

A. Agency Section/Code/Name: Section 12 - J20 – South Carolina Department of Alcohol and Other Drug Abuse Services

B. Agency Activity Number and Name: Alcohol and Drug Abuse Administration (1040)
Chemical Dependency Community-Based Treatment Services (1037) / Administration

C. Explanation of Lowest Priority Status:

The department deems its **highest priorities** to include the provision of prevention, intervention, and treatment services to the citizens of South Carolina (Activity Numbers 1035 – Chemical Dependency Community-Based Prevention Services, 1036 – Chemical Dependency Community-Based Intervention Services, 1037 – Chemical Dependency Community-Based Treatment Services, 1038 – Direct Chemical Dependency Services, and Gambling Services – 1039). All client services are imperative to the achievement of the agency’s mission. In addition, and as required by the department’s federal partner (the Substance Abuse and Mental Health Services Administration), outcomes and accountability are required under the Chemical Dependency Services Accountability (1034) line. In addition, the General Assembly and Governor Mark Sanford expect that efficient and effective services be delivered to the citizens of South Carolina.

In meeting the request objective, the department would rank both Alcohol and Drug Abuse Administration (1040) and Chemical Dependency Community-Based Treatment Services (1037) / Administration as its **lowest priorities**, neither of which can be totally eliminated. These activities represent 28.5% of listed activities submitted within the 2007-2008 Budget Activity Report.

During recent years (from May 2001 through state FY05), the department experienced a 72% cut in its base budget. These cuts have been shouldered by both the state office and local providers, with emphasis on internal cuts at DAODAS. Additionally, any cuts at the local level have been softened by increases in federal funding to maintain services at comparable levels. Additionally, from FY03 through FY05, DAODAS streamlined its administrative operations and saved more than \$2.7 million in personnel, rent, and other operating costs (e.g., telephone, travel, supplies). The agency continued this trend in FY07, sending these savings to local providers for prevention, intervention, and treatment services and keeping its internal administrative costs below 5% of its overall budget.

In effect, the department has already gone through a restructuring of agency priorities, including reducing administrative expenses while also, as recently as 2004, ranking its programmatic priorities. This resulted in reducing funding for services deemed ineffective, to include deleting funds for the Drug Abuse Resistance Education (D.A.R.E.) program and a range of other prevention initiatives that were not evidence-based. Conservatively, this ranking of programmatic priorities saved more than \$500,000, which was redirected to evidence-based prevention and treatment activities. With

the \$2.7 million operational savings, the state-mandated cuts from 2001 through 2005, and the programmatic ranking, DAODAS has successfully reprioritized its funding.

As a requirement of receiving the federal Substance Abuse Prevention and Treatment Block Grant, states must also fund substance abuse services with state dollars and are also limited in the amount of the federal block grant that may be used for administrative operations at a state office (DAODAS). Meeting this requirement has been difficult, especially when coupled with past mandated reductions in state funding that have been borne at the state office in its administrative line.

Currently, 93% of all state funding is contracted to the local provider network, while 7% of total state funding is retained at the state level. In order to continue to be compliant with federal requirements that states use state funding to operate state offices, and to meet the potential cost savings, the department would have no choice but to pass 93% of the projected savings to its provider network.. DAODAS could absorb a 7% reduction in state funding (Alcohol and Drug Abuse Administration [1040]) and remain in compliance with federal law. The 93% potential reduction would be pro-rated to each provider, as based on the percentage of state dollars each received. Those contractors receiving larger amounts of state funding would receive a larger share of the cost savings.

To coincide with the Governor's commitment to maintaining services at the local level, providers would be instructed to take any potential reduction in their administrative operation reimbursement line of the Chemical Dependency Community-Based Treatment Services (1037). DAODAS, again, has achieved its cost savings in its administrative line over the past several years. The provider network would be instructed to reduce their administrative lines within this activity in the area of travel, technology, telephone and general supplies.

D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	\$213,024	0	0	0	0	\$213,024
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$16,034	0	0	0	0	\$16,034
Total	\$229,058	\$ 0	\$ 0	\$ 0	\$ 0	\$229,058

Note: DAODAS has presumed a 2% cost reduction as directed in the 2007/2008 Budget Guidelines.

E. Activity Impact *(Describe the impact on the activity affected, including the impact on customers and clients.):*

The two activities impacted include Alcohol and Drug Abuse Administration (1040) and Chemical Dependency Community-Based Treatment Services (1037). DAODAS could absorb a \$16,034 reduction in state funding (Alcohol and Drug Abuse Administration [1040]) and remain in compliance with federal law, although it would have to reduce its operating (e.g., travel, telephone, supply) lines. Again, providers would be instructed to reduce their administrative lines in the areas of travel, technology, telephone and general supplies. There is no estimated direct impact on client services. Customer impact (through the provider network) should be minimal.

F. Summary of Priority Assessment of Agency Activities

Summary of Priority Assessment of Activities – Lowest Priorities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: Alcohol and Drug Abuse Administration (1040)	\$16,034	0	0	0	0	\$16,034	0

Summary of Priority Assessment of Activities – Lowest Priorities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: Chemical Dependency Community-Based Treatment Services (1037) / Administration	\$213,024	0	0	0	0	\$213,024	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
TOTAL OF LOWEST PRIORITIES	\$229,058	\$ 0	\$ 0	\$ 0	\$ 0	\$229,058	0.00